

PATENT COOPERATION TREATY

PCT

INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

(Chapter II of the Patent Cooperation Treaty)

(PCT Article 36 and Rule 70)

REC'D 13 MAR 2006

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Applicant's or agent's file reference 1061-008	FOR FURTHER ACTION		See Form PCT/IPEA/416
International application No. PCT/US04/43856	International filing date (day/month/year) 31 December 2004 (31.12.2004)	Priority date (day/month/year) 31 December 2003 (31.12.2003)	
International Patent Classification (IPC) or national classification and IPC IPC: G06F 19/00 (2006.01) USPC: 700/99;705/35-36;707/680			
Applicant JACOBS, LESLIE L			
<p>1. This report is the international preliminary examination report, established by this International Preliminary Examining Authority under Article 35 and transmitted to the applicant according to Article 36.</p> <p>2. This REPORT consists of a total of <u>7</u> sheets, including this cover sheet.</p> <p>3. This report is also accompanied by ANNEXES, comprising:</p> <p>a. <input type="checkbox"/> (sent to the applicant and to the International Bureau) a total of ___ sheets, as follows:</p> <p style="margin-left: 40px;"><input type="checkbox"/> sheets of the description, claims and/or drawings which have been amended and are the basis of this report and/or sheets containing rectifications authorized by this Authority (see Rule 70.16 and Section 607 of the Administrative Instructions).</p> <p style="margin-left: 40px;"><input type="checkbox"/> sheets which supersede earlier sheets, but which this Authority considers contain an amendment that goes beyond the disclosure in the international application as filed, as indicated in item 4 of Box No. I and the Supplemental Box.</p> <p>b. <input type="checkbox"/> (sent to the International Bureau only) a total of (indicate type and number of electronic carrier(s)) _____, containing a sequence listing and/or tables related thereto, in electronic form only, as indicated in the Supplemental Box Relating to Sequence Listing (see Section 802 of the Administrative Instructions).</p>			
<p>4. This report contains indications relating to the following items:</p> <p><input checked="" type="checkbox"/> Box No. I Basis of the report</p> <p><input type="checkbox"/> Box No. II Priority</p> <p><input type="checkbox"/> Box No. III Non-establishment of opinion with regard to novelty, inventive step and industrial applicability</p> <p><input type="checkbox"/> Box No. IV Lack of unity of invention</p> <p><input checked="" type="checkbox"/> Box No. V Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement</p> <p><input type="checkbox"/> Box No. VI Certain documents cited</p> <p><input type="checkbox"/> Box No. VII Certain defects in the international application</p> <p><input type="checkbox"/> Box No. VIII Certain observations on the international application</p>			
Date of submission of the demand 13 July 2005 (13.07.2005)		Date of completion of this report 02 March 2006 (02.03.2006)	
Name and mailing address of the IPEA/ US Mail Stop PCT, Attn: IPEA/US Commissioner for Patents P.O. Box 1450 Alexandria, Virginia 22313-1450 Facsimile No. (571) 273-3201		Authorized officer <i>Kidest Bahta</i> Kidest Bahta Telephone No. (571) 272-3737	

Form PCT/IPEA/409 (cover sheet)(April 2005)

Box No. I Basis of the report

1. With regard to the **language**, this report is based on:

- ☒ the international application in the language in which it was filed.
- ☐ a translation of the international application into _____, which is the language of a translation furnished for the purposes of:
- ☐ international search (under Rules 12.3 and 23.1(b))
- ☐ publication of the international application (under Rule 12.4(a))
- ☐ international preliminary examination (under Rules 55.2(a) and/or 55.3(a))

2. With regard to the **elements** of the international application, this report is based on (*replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this report as "originally filed" and are not annexed to this report*):

- ☐ the international application as originally filed/furnished
- ☐ the description:
pages NONE as originally filed/furnished
pages* NONE received by this Authority on _____
pages* NONE received by this Authority on _____
- ☐ the claims:
pages NONE as originally filed/furnished
pages* NONE as amended (together with any statement) under Article 19
pages* NONE received by this Authority on _____
pages* NONE received by this Authority on _____
- ☐ the drawings:
pages NONE as originally filed/furnished
pages* NONE received by this Authority on _____
pages* NONE received by this Authority on _____
- ☐ a sequence listing and/or any related table(s) - see Supplemental Box Relating to Sequence Listing.

3. ☐ The amendments have resulted in the cancellation of:

- ☐ the description, pages _____
- ☐ the claims, Nos. _____
- ☐ the drawings, sheets/figs _____
- ☐ the sequence listing (*specify*): _____
- ☐ any table(s) related to the sequence listing (*specify*): _____

4. ☐ This report has been established as if (some of) the amendments annexed to this report and listed below had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).

- ☐ the description, pages _____
- ☐ the claims, Nos. _____
- ☐ the drawings, sheets/figs _____
- ☐ the sequence listing (*specify*): _____
- ☐ any table(s) related to the sequence listing (*specify*): _____

** If item 4 applies, some or all of those sheets may be marked "superseded."*

INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

International application No.
PCT/US04/43856**Box No. V Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement**

1. Statement

Novelty (N)	Claims <u>NONE</u>	YES
	Claims <u>1-30</u>	NO
Inventive Step (IS)	Claims <u>NONE</u>	YES
	Claims <u>1-30</u>	NO
Industrial Applicability (IA)	Claims <u>1-30</u>	YES
	Claims <u>NONE</u>	NO

2. Citations and Explanations (Rule 70.7)

Claims 1-30 lack novelty under PCT Article 33(2) as being anticipated by Martin (US 6,330,547).

Regarding claims 1-30, Martin discloses a method and apparatus for deciding whether to make a loan using an intangible asset, such as intellectual property, as collateral and for making such a loan more attractive to a lender. The method requires that an assessment of the transferability and viability of the asset be made to determine if the asset and loan applicant meet minimum qualifying criteria. If they do, a more detailed analysis is undertaken in which judgments are reached concerning various factors related to historical, comparative and prospective market behavior in market sectors identical with, as well as parallel and corollary to the primary market sector for the asset sought to be used as loan collateral. The analysis leads to calculation of an asset liquidation value and production of a correlated depreciation schedule which are both presented to the prospective lender. A third party then contracts with the lender to pay the asset liquidation value to the lender, adjusted for depreciation over time, in the event that the loan applicant defaults on the loan. This arrangement reduces the lender's risk of loss thereby making the loan more attractive. A computer-based apparatus for carrying out the method is also disclosed (abstract; column 2, lines 25-23; column 8, lines 47-57) and receiving a request the transaction, further as an electronic request and special purpose vehicle to facilitate an issuance of securities where the securitization is royalty backed (column5 - column 8).